

Policy 7.1.4 Budget Appropriation and Control

POLICY PURPOSE:

This Policy defines the appropriation control of operating programs and the reappropriation of resources within programs and/or between programs. From time to time, circumstances arise where an unusual demand is placed upon a program budget that was not anticipated in the budget process. In those circumstances, it may not be possible for the program manager to meet the demand for service within the budget appropriated by City Council. It may be necessary to request budget re-appropriations to meet the service demands.

POLICY STATEMENT:

1. The City's budget appropriation control is at the program and department level, within the same fund. Expenditures of the City of Sunnyvale for each fiscal year, appropriations to reserves and inter-fund transfers/loans are governed and controlled according to the amounts adopted by the City Council through a resolution for each of the classifications of the General Fund and Special Revenue Funds.
 - A. For re-appropriations between programs within the same department and fund, where the annual program budget is equal to or greater than \$500,000, Council approval is required for re-appropriations between programs that exceed \$100,000 or 5% of the annual program budget, whichever is greater, up to a maximum of \$250,000 (annual cumulative total).
 - B. For re-appropriations between programs within the same department and fund, where the annual program budget is less than \$500,000, the maximum reappropriation threshold is limited to \$50,000 or 50% of the annual program budget, whichever is less (annual cumulative total).
2. If the expenditures for the Proprietary Funds and Internal Services Funds for the fiscal year exceed actual revenues plus the planned appropriation from the Rate Stabilization Reserve Account or the Resource Allocation Plan Reserve Account, as the case may be, on an annualized basis, Council approval shall be required.
3. The City Manager may authorize reappropriations that are within the thresholds stated in 1 (A), (B), and 2 above, so long as the Council-set services and service levels will be met. A Budget Modification request to Council is required if the re-appropriation results in changes in the services and/or service levels delivered.

This Policy became effective starting July 1, 2003.

(Adopted: RTC 03-198 (6/3/03))

Lead Department: Finance